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OFFICE OF HOMELAND SECURITY

November 25, 2008

Bob Powell, Manager
Office of Emergency Coordinator
County of Solano
530 Clay Street
Fairfield, CA 94533

Monitoring Report #M08-038

Dear Mr. Powell:

The Office of Homeland Security (OHS), Monitoring and Audits Unit, Program Monitor, Mohammad Mokarram conducted a monitoring review for the purpose of monitoring the County of Solano OHS Grant Programs. I wish to thank you and your staff for the courtesy extended to Mr. Mokarram during the review process. Enclosed, you will find the monitoring report for the following grants:

GRANT/FIPS NUMBER	PROGRAM NAME	PERIOD MONITORED	MONITORED AMOUNT
2005-0015 #095-00000	FY05 Homeland Security Grant Program (HSGP)	10/01/04 - 10/07/08	\$1,067,330
2006-0071 #095-00000	FY06 Homeland Security Grant Program (HSGP)	07/01/06 - 06/30/08	\$700,758
2007-0008 #095-00000	FY07 Homeland Security Grant Program (HSGP)	07/01/06 - 06/30/08	\$817,318

The monitoring included a review of staffing needs, operational practices, source documentation, activities, and data reporting requirements. In addition, the monitors examined the grant for compliance with federal financial, administrative and auditing requirements, program guidelines, and other mandates as applicable. Finally, the monitors performed a selected review of accounting records that support the amounts claimed in your reimbursement requests. Project expenditures were validated to provide reasonable assurance that expenses are related to the grant, proper records are maintained, and expenditures are properly authorized and recorded.

As a reminder, the purpose of monitoring is to assist projects in the achievement of their goals and aiding them in administering their grant funds in the most effective and efficient manner. The monitoring is used as a tool to assist the subgrantee in complying with these requirements. Your OHS Program Representative will receive a copy of the monitoring report. Their name and phone number are identified on the face sheet of the report.

If the monitoring report does not identify any findings, a Corrective Action Plan is not necessary and the monitoring process is complete.

If any findings are identified in the monitoring report, you will have 120 days from the last day of the monitoring review to submit a Correction Action Plan to the Program Monitor.

The corrective action process requires the following option:

Option – Submission of an outlined Corrective Action Plan that addresses the findings noted in this report to be reviewed and approved by OHS program staff (i.e. technical assistance).

When corresponding to our office regarding this monitoring report, please include the monitoring control number on all correspondence. Send your response to:

Governor's Office of Homeland Security
Grants Administrative Section
Monitoring & Audits Unit
State Capitol
Sacramento, California 95814

Thank you for your participation in the monitoring process. If you have any questions regarding this letter or the attached report, please feel free to contact Mohammad Mokarram 916-322-1901.

Sincerely,



Brendan Murphy
Deputy Director

Attachment

cc: Rachel Magana, Program Representative
Monitoring & Audits Unit, chron file
Grants Management Unit, grant file

Monitoring Report Response Form

TO: Governor's Office of Homeland Security Grant Numbers: FY05-0015, FY06-0071, FY07-0008

Grants Management Section
Monitoring & Audits Unit
State Capitol
Sacramento, CA 95814

Monitoring Control M08-038
Number:

Attention: Monitoring & Audit Unit

Response Due: 02/13/2009

FROM: Subgrantee: Solano County Operational Area

Required Corrective Action Plan

☐

I have reviewed the above referenced monitoring report and have submitted for your review and approval, an outlined Corrective Action Plan that addresses the findings noted in this report to be reviewed and approved by OHS program staff.

Authorized Signature

Title

Date

Typed Name

Title

Telephone Number



**CALIFORNIA GOVERNOR'S
OFFICE OF HOMELAND SECURITY
MONITORING NARRATIVE REPORT**

COPY

GRANT/FIPS NUMBER	PROGRAM NAME	PERIOD MONITORED	MONITORED AMOUNT
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Solano County Operational Area			
AUTHORIZED AGENT:	Bob Powell	ADDRESS:	530 Clay Street Fairfield, CA 94533
CONTACT EMAIL:	bapowell@solanocounty.com		
CONTACT PHONE NUMBER:	707-784-1600		
ALTERNATE POINT OF CONTACT:	Kellie Sayre		
CONTACT EMAIL:	kosayre@solano.com		
PROGRAM REPRESENTATIVE:	Rachel Magana	E-mail:	rachel.magana@ohs.ca.gov
PHONE NUMBER:	916-324-9314		
PROGRAM MONITOR:	Mohammad Mokarram	E-mail:	mohammad.mokarram@ohs.ca.gov
PHONE NUMBER:	916-322-1901	DATE OF MONITORING:	10/14/2008

PERSONS INTERVIEWED DURING MONITORING VISIT

NAME	TITLE	AGENCY
Bob Powell	Emergency Services Manager	Solano County OES
Angelica Russell	Administrative Services Manager	Solano County Sheriff's Office
Rose Dontogan	Accountant	Solano County Sheriff's Office
Kellie Sayre	Office Assistant III	Solano County OES

Prepared by:

Mohammad Mokarram, Program Monitor, OHS Administration Division, Monitoring & Audits Unit

11/25/08
Date

Approved by:

Brendan Murphy, Deputy Director, OHS Administration Division

11/18/08
Date

Solano County Operational Area

Monitoring Report

Monitoring Report Summary	Total # of Items in Category	In Compliance	Not in Compliance	Not Monitored	Not Applicable	Total
A. Administrative Review						
Review of Audit Reports	2	1			1	2
Grant Assurances	1	1				1
Grant Approval Notification	2	2				2
Performance Reports	1	1				1
Homeland Security Strategies	1	1				1
Publication of Published Materials	1	1				1
B. Programmatic Review						
Program Goals and Objectives	2	2				2
Exercise	2	2				2
Training	1	1				1
Planning	1	1				1
C. Financial Management						
Accounting System	8	8				8
Distribution of Funds	1	1				1
Advance of Funds	2	2				2
Change Requests/Modifications	2	2				2
Maintenance of Records	1	1				1
D. Fiscal: Personnel Services						
Management and Administrative Services	3				3	3
Overtime/Back Fill	3	3				3
E. Fiscal: Procurement						
Responsibility	1		1			1
Methods of Procurement	4	4				4
F. Fiscal: Equipment & Property Management						
Equipment Purchases	3	3				3
Property Management & Records Keeping	2	1	1			2
G. Subgrantee Monitoring & Oversight						
Subrecipient single audit requirements	1				5	5
Management and Administrative Responsibility	1					0
Overtime/Backfill/CTO Responsibility	1					0
Procurement Responsibility	1					0
Equipment & Property Management Responsibility	1					0
Total	49	38	2	0	9	49

Solano County Operational Area

Monitoring Report

PROGRAM SUMMARY

Corrective Action Plan: Required.

MONITORING REPORT DETAIL

- A. Administrative Review:** Subgrantee in compliance (6 items); Not applicable for Subgrantee (1 item).
1. **Review of Audit Report:** Subgrantee in compliance (1 item); Not applicable for Subgrantee (1 item).
 - a. Audit reports submitted as required. Subgrantee in compliance (1 item).
 - b. Findings noted and corrective action plan addressed. Not applicable for Subgrantee (1 item).
 2. **Grant Assurances:** Subgrantee in compliance (1 item).
 3. **Grant Approval Notification:** Subgrantee in compliance (2 items).
 4. **Performance Reports:** Subgrantee in compliance (1 item).
 5. **Homeland Security Strategies:** Subgrantee in compliance (1 item).
 6. **Publication of Materials:** Subgrantee in compliance (1 item).
- B. Programmatic Review:** Subgrantee in compliance (6 items)
1. **Program Goals & Objectives:** Subgrantee in compliance (2 items).
 2. **Exercise:** Subgrantee in compliance (2 items)
 3. **Training:** Subgrantee in compliance (1 item).
 4. **Planning:** Subgrantee in compliance (1 item).
- C. Financial Management:** Subgrantee in compliance (9 items).
1. **Accounting System:** Subgrantee in compliance (9 items).

Solano County Operational Area

Monitoring Report

- a. Financial Reporting: Subgrantee in compliance (1 item).
- b. Source Documentation: Subgrantee in compliance (1 item).
- c. Double Billing: Subgrantee in compliance (1 item).
- d. Supplanting: Subgrantee in compliance (1 item).
- e. Accounting Basis: Subgrantee in compliance (1 item).
- f. Commingling of Funds: Subgrantee in compliance (1 item).
- g. General Ledger Accounting Structure: Subgrantee in compliance (1 item).
- h. Costs Directly Related: Subgrantee in compliance (1 item).
2. **Distribution of Funds**: Subgrantee in compliance (1 item).
3. **Advance of Funds**: Subgrantee in compliance (2 items).
4. **Change Request/Modifications**: Subgrantee in compliance (2 items).
 - a. Prior Approval: Subgrantee in compliance (1 item).
 - b. Retention: Subgrantee in compliance (1 item).
5. **Records Maintenance**: Subgrantee in compliance (1 item).
- D. **Fiscal Personnel Services**: Subgrantee in compliance (2 items); Subgrantee not in compliance (1 item); Not Applicable to Subgrantee (3 items).
 1. **Management and Administrative Services**: Subgrantee in compliance (3 items); Not applicable for Subgrantee (3 items).
 - a. Allocation: Not applicable for Subgrantee (1 item).
 - b. Allowable Costs/Activities: Not applicable for Subgrantee (1 item).
 - c. Functional Timesheets: Not applicable for Subgrantee (1 item).

Solano County Operational Area

Monitoring Report

2. **Overtime/Backfill and/or CTO:** Subgrantee in compliance (3 items).

E. Fiscal Procurement: Subgrantee in compliance (4 items); Subgrantee not in compliance (1 item).

1. **Responsibility:** Subgrantee not in compliance (1 item).

Requirements: OMB A-102, Title 28 of the Code of Federal Regulations §67.140, §67.300(a) and the DOJ Financial Guide Part I, Chapter. 1 pgs 16 & 17, all states certification must be completed prior to recommendation for or against an award and provides guidance on the requirements that a recipient must meet in order to receive federal funds, under Executive Order 12549. This Executive Order also requires subgrantees to use the Excluded Parties List System (EPLS), maintained by the General Services Administration (GSA) to verify potential vendors are not on the "debarment or suspended" lists. Potential awardees on this list cannot receive federal grant funds.

Finding #1: The monitor noted the County of Solano Procurement Policy does not require review of the federal "debarment or suspended" list prior to entering into an agreement involving federal funds. The monitor found no evidence that there were any contracts awarded to a debarred or suspended entity; however, the subgrantee failed to ensure vendor eligibility prior to awarding a contract. Had Solano County entered into an agreement with a vendor on the debarment or suspended lists, the subgrantee would possibly have to back out associated costs.

Action Required: The subgrantee must self-certify the debarment status of a potential federal grant awardee is determined prior to making an award. The Procurement Policy clause should cite the federal standard which includes the requirement for ensuring person or entities that have been debarred or suspended at the federal level will not be awarded OHS grant funds. The county must ensure that all vendors who purchase or who bid on contracts will be checked against the federal Excluded Parties List System (EPLS) before awarding any contracts or purchase orders. A debarment or suspended clause should be in any and all contracts.

2. **Methods of Procurement:** Subgrantee in compliance (4 items).

F. Fiscal Equipment & Property Management: Subgrantee in compliance (4 items); Subgrantee not in compliance (1 item).

1. **Equipment Purchases:** Subgrantee in compliance (3 items).
2. **Property and Records Keeping:** Subgrantee in compliance (1 item); Subgrantee not in compliance (1 item).

Solano County Operational Area

Monitoring Report

- a. Inventory Control: Subgrantee in compliance (1 item).
- b. Property Management: Subgrantee not in compliance (1 item).

Requirement: Subgrantees must safeguard all grant related property and must assure that it is used solely for authorized purposes. The subgrantee must also maintain a management system that ensures adequate safeguards for OHS purchased equipment and at a minimum safeguard against lost, stolen, or destroyed property until disposition takes place. If such incidents happen, the subgrantee must investigate and report to OHS the findings. Equipment valued over \$5,000 must be properly tagged with OHS asset tags or identified as such.

Finding #2: The Subgrantee is required to maintain a property management system that ensures adequate safeguards are in place to address the requirements set forth. For the grant programs reviewed, the Subgrantee did not have OHS asset tags for equipment valued over \$5,000.

Action required: The subgrantee will need to establish an appropriate control system that provides the necessary identification or tagging system for OHS purchased equipment valued over \$5,000. The Subgrantee must self-certify its future grants will comply with this requirement.

- G. **Subgrantee Monitoring & Oversight:** Not applicable for Subgrantee (5 items).



Gary R. Stanton
Sheriff

SOLANO COUNTY Office of Emergency Services

530 Clay Street
Fairfield, CA 94533
(707) 784-1600
FAX (707) 421-6383



Michael D. Johnson
County Administrator

January 29th, 2009

To: Governor's Office of Homeland Security
Grants Management Section
State Capitol
Sacramento, California 95814
Attention: Monitoring & Audits Unit

Subject: Corrective Action Plan for Monitoring Report #M08-038

Reference Grants: FY05-0015
FY06-0071
FY07-0008

Sirs,

After an extensive review of the grant management practices of the Solano County Office of Emergency Services (OES) and the Office of Homeland Security (OHS) monitoring review conducted October 14th, 2008, we have adopted new grant administrative and fiscal management changes. Below we have restated the "Finding" and "Action Required" remarks as they appeared in the Monitoring Report #M08-038. We have also included our "Action Taken" and "Corrective Action Plan" for each of the findings.

Finding 1: The monitor noted the County of Solano Procurement Policy does not require review of the federal "debarment or suspended" list prior to entering into an agreement involving federal funds. The monitor found no evidence that there were any contracts awarded to a debarred or suspended entity; however, the subgrantee failed to ensure vendor eligibility prior to awarding a contract. Had Solano County entered into an agreement with a vendor on the debarment or suspended lists, the subgrantee would possibly have to back out associated costs.

Action Required: The subgrantee must self-certify the debarment status of a potential federal grant awardee is determined prior to making an award. The Procurement Policy clause should cite the federal standard which includes the requirement for ensuring person or entities that have been debarred or suspended at the federal level will not be awarded OHS grant funds. The county must ensure

that all vendors who purchase or who bid on contracts will be checked against the federal Excluded Parties List System (EPLS) before awarding any contracts or purchase orders. A debarment or suspended clause should be in any and all contracts.

Action Taken:

1. Solano County does not currently have a "debarment or suspended" policy in place. However, the County's Purchasing and Contracting Policy Manual is currently being updated. Debarment and Suspension language will be incorporated.
2. The revised Purchasing and Contracting Policy Manual is expected to be presented to the Solano County Board of Supervisors for approval in May of 2009.

Corrective Action Plan:

1. In the interim, as a result of discussions with the designated County Purchasing Agent, Ms. Dianne Koutz, the County's Centralized Procurement Division in collaboration with Solano County Office of Emergency Services will now ensure that all vendors who we purchase from or who bid on contracts will be checked against the Federal Excluded Parties List System (EPLS) before awarding any contracts or purchase orders.
2. A debarment or suspended clause will be in any and all contracts. This clause will be as follows: Debarment and Suspension (E.O.s 12549 and 12689). A contract award with an amount expected to equal or exceed \$25,000 and certain other contract awards (see 2 CFR 180.220) shall not be made to parties listed on the government-wide Excluded Parties List System, in accordance with the OMB guidelines at 2 CFR part 180 that implement E.O.s 12549 (3 CFR, 1986 Comp., p. 189) and 12689 (3 CFR, 1989 Comp., p. 235), "Debarment and Suspension." The Excluded Parties List System contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than E.O. 12549.

Finding 2: The Subgrantee is required to maintain a property management system that ensures adequate safeguards are in place to address the requirements set forth. For the grant programs reviewed, the Subgrantee did not have OHS asset tags for equipment valued over \$5,000.

Action Required: The subgrantee will need to establish an appropriate control system that provides the necessary identification or tagging system for OHS

purchased equipment valued over \$5,000. The Subgrantee must self-certify its future grants will comply with this requirement.

Action Taken:

1. Solano County OES has created a system for labeling all of the equipment valued over \$5,000 purchased with OHS grant funds. Solano County OES will tag all such equipment with a label which includes the OHS Emblem, the fiscal year of the grant, and the whether the equipment was purchased with SHSGP or LETPP funds.
2. Solano County OES has tagged all of the previously bought equipment valued over \$5,000 purchased with OHS grant funds with the aforementioned label.

Corrective Action Plan:

1. Solano County OES will employ the new system for labeling equipment valued over \$5,000 purchased with OHS grant funds.
2. Solano County OES will label appropriately all equipment valued over \$5,000 purchased with OHS grant funds shortly upon receipt and before issue, deployment, or storage of the equipment.

It is the goal of the Solano County Office of Emergency Services to administer all federal and state grants in the most effective and efficient manner. We believe that the items detailed in these Corrective Action Plans will prevent the two findings identified in the monitoring report from recurring.



Robert A. Powell
OES Manager
Solano County

COPY



California Emergency Management Agency

February 4, 2009

Robert A. Powell, Manager
Solano County Office of Emergency Services
530 Clay Street
Fairfield, CA 94533

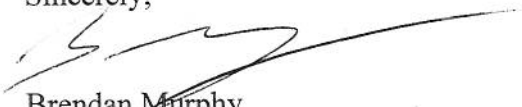
Subject: Corrective Action Plan for Monitoring Narrative Report #M08-038

Dear Mr. Powell:

As you are aware, the California Emergency Management Agency (CalEMA) is responsible for monitoring subgrantees to ensure that all administrative, programmatic and financial responsibilities are fulfilled and in accordance with the individual grant guides and applicable rules and regulations.

We have completed our review of your submitted corrective action plan for fiscal year FY05-0015, FY06-0071, FY07-0008 grant programs. We have concluded that you have implemented appropriate corrective action as prescribed in the Monitoring Narrative Report #M08-038. CalEMA is particularly interested in your Operational Area due to the complexity of the issues found during review, the size and responsibility of the Operational Area, and the large amount of grant funds awarded. No further action on your part is required; however, CalEMA reserves the right to conduct an inspection of equipment funded with CalEMA grants.

Sincerely,


Brendan Murphy
Deputy Director

cc: Maybel Garing, Program Representative
Monitoring and Audits Unit, Chron File
Grants Management Unit, Chron File